

Section 3: A-133 Audits

1. All Sponsors are required to have an A-133 audit to be performed annually.
2. Sponsors arrange their own 'A-133' audit.
3. The Sponsor's audit complies with the procedures for audit approval, submission and reimbursement as stated in 7 CFR 226.8, 7 CFR part 3052 and MT CACFP policy MT CACFP 96-19 Rev2 on Audit Reimbursement. Letters to management and/or Annual Reports included with the A-133 audit will accompany the annual submission to the State agency.
4. The Sponsor's accounting system, back-up system, fiscal policies and accounts used for the CACFP are evaluated during the annual A-133 Audit.
5. The Sponsor keeps financial records and copies of audits for a minimum of three (3) FFYs plus the current FFY. Financial and operational records include but are not limited to: income and expenses, fixed assets, equipment and depreciation, personnel, professional services contracts, inventory, and records of all directors and board members. These records are available for review, retained in accordance with 7CFR 226.15(e), and are provided on request to the State agency and the USDA FNS or their representatives.
6. The proper separation of administrative and operational costs and duties is evaluated during an A-133 Audit.
7. Information for managing inventory is evaluated during the A-133 Audit.